FY 2011 Capital Budget TPS Report 51907v2

**Agency: Commerce, Community and Economic Development** 

Grants to Named Recipients (AS 37.05.316)

Grant Recipient: Melakatla Indian Community

Project Title: Project Type: New Construction and Land Acquisition

# Metlakatla Indian Community - Metlakatla Ketchikan Intertie

State Funding Requested: \$7,600,000 House District: 5 / C

One-Time Need

#### **Brief Project Description:**

Funding to construct an electrical intertie between Metlakatla and Ketchikan to allow existing hydroelectric surplus to offset diesel generation in Ketchikan and help complete the Southeast Alaska regional power grid.

**Funding Plan:** 

| Total Cost of Project: \$7,600,000 |                 |      |                        |    |                         |    |  |  |
|------------------------------------|-----------------|------|------------------------|----|-------------------------|----|--|--|
|                                    | Funding Secured |      | Other Pending Requests |    | Anticipated Future Need |    |  |  |
|                                    | Amount          | FY   | Amount                 | FY | Amount                  | FY |  |  |
| State Funds                        | \$800,000       | 2009 |                        |    |                         |    |  |  |
| Denali Commission                  | \$500,000       | 2007 |                        |    |                         |    |  |  |
| Total                              | \$1,300,000     | _    |                        |    |                         |    |  |  |

### **Detailed Project Description and Justification:**

Funding to construct an electrical intertie between Metlakatla and Ketchikan to allow existing hydroelectric surplus to offset diesel generation in Ketchikan and help complete the Southeast Alaska regional power grid.

The Metlakatla-Ketchikan Intertie is a 34.5-kV transmission line that will interconnect the electrical systems of Metlakatla Power & Light (MP&L) and Ketchikan Public Utilities (KPU). The intertie will include 16 miles of overhead wood pole transmission line to be constructed on Annette Island between Metlakatla and Race Point and an approximate one mile submarine cable crossing Revillagigedo Channel between Race Point and KPU's Mountain Point Substation. The project will include control system upgrades to allow for the integrated operation of the interconnected systems' generating plants. State funding is requested for final design and permitting, and for construction.

The Melakatla-Ketchikan Intertie will provide benefits to both communities in allowing for utilization of Metlakatla'a existing hydroelectric resources while reducing diesel generation in Ketchikan. The project has been thoroughly studied and is a top priority for both communities. The intertie is a key link in development of the Southeast Alaska Intertie and regional power grid. The project will fund an important piece of public works infrastructure and improve the quality of life in Southern Southeast Alaska.

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#### **Project Timeline:**

FY2011-2013 -- Project will take 2 years to complete.

For use by Co-chair Staff Only:



Federal Tax ID: 92-0014579

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| Entity Responsible for the Ongoing Operation and Maintenance of this Project: |  |
|---|--|
| Metlakatla Power & Light  |  |

**Grant Recipient Contact Information:** 

Paul Brendible Name:

Address: Box 8

Metlakatla, AK 99926

Phone Number: (907)886-4441

Email: paul.brendible@metlakatla.com

Has this project been through a public review process at the local level and is it a community priority? X Yes No

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Contact Name: Kimberly Contact Number: X3473

For use by Co-chair Staff Only: 6:03 PM 5/4/2010



334 Front Street Ketchikan, AK 99901 Phone (907) 228-5603

Fax (907) 225-5075

October 2, 2008

Mayor Karl Cook Metlakatla Indian Community PO Box 8 Metlakatla, Alaska 99926

Dear Mayor Cook:

Metlakatla - Ketchikan Transmission Intertie Re: **Endorsement of Proposed Intertie Project** 

The City of Ketchikan (City) has been in discussions with Metlakatla Indian Community (MIC) regarding the proposed installation by MIC of a transmission interconnection between the Metlakatla Power & Light (MP&L) electric system and the City's electric system. The proposed 34.5-kV interconnection will include a submarine cable approximately one mile in length terminating at the City's Mountain Point substation.

It is our understanding that the primary purpose of the interconnection will be to allow the City to purchase power that will be generated at MP&L's hydroelectric projects that is surplus to the needs of MP&L. The City is projecting that electric power requirements in Ketchikan will increase significantly in the near future and that power purchased from MP&L will be used to offset diesel generation.

Based on this general understanding, the City hereby endorses the proposed Metlakatla-Ketchikan Transmission Intertie project and intends to purchase the surplus hydroelectric generation to be made available from MP&L, pursuant to terms and conditions to be negotiated and agreed to at a later date. In addition, the City will assist MIC as needed with regard to interconnecting with the City's electric system.

We look forward to working with MIC on this very important project that will benefit both of our communities and serve as a significant addition to the greater Southeast Alaska regional power system.

Should you have any questions on this matter, please do not hesitate to contact me.

Very truly yours,

Karl R. Amylon General Manager

## COUNCIL ANNETTE ISLANDS RESERVE

METLAKATLA INDIAN COMMUNITY

Arthur G. Fawcett, Mayor Diana M. Yliniemi, Secretary Nathan W. Fawcett, Treasurer

ESTABLISHED 1887

POST OFFICE BOX 8 METLAKATLA, ALASKA 99926 PHONE (907) 886-4441 FAX (907) 886-7997

### **RESOLUTION NO. 10-08**

### METLAKATLA INDIAN COMMUNITY BY THE COUNCIL ANNETTE ISLAND RESERVE

WHEREAS, the Metlakatla Indian Community Council is the governing body of the Metlakatla Indian Community, Annette Islands Reserve, Alaska by the authority of the Constitution and By-laws of the Metlakatla Indian Community approved on August 23, 1944 by the Secretary of the Interior; and

WHEREAS, the Metlakatla Indian Community is an American Indian Tribe organized pursuant to the provisions of Section 16 of the Federal Indian Reorganization Act, 25 U.S. C.; and

WHEREAS, The Metlakatla Indian Community Council fully supports and approves the Construction of the Waldon Point Road Paving at \$9,500,000.00 as their #1 FY 11 Legislative Priority; and

WHEREAS, the Metlakatla Indian Community Council fully supports and approves the Funding for M.I.C. Participation in the SE Regional Power Intertie Project at \$7,600,000.00 as their #2 FY11 Legislative Priority; and

**THEREFORE, BE IT RESOLVED,** that the Metlakatla Indian Community Council approves the Waldon Point Road Paving and the Transmission Line as their #1 and #2 FY11 Legislative Priority.

Signed and dated this 22nd day of February, 2010 at

METLAKATLA INDIAN COMMUNITY

ATTEST:

Arthur Fawcett, Mayor

Diana M. Yliniemi, Secretary

CERTIFICATION

I hereby certify that the foregoing Resolution was duly approved at a meeting of the Tribal Council Executives held on February 22, 2010 at which a quorum was present by a vote of 3 FOR and AGAINST.

Signed:

Diana M. Yliniemi, Secretary

### SOUTHEAST ALASKA ELECTRICAL INTERTIE







